U.S. Department of Justice

United States Attorney Eastern District of Virginia

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NEWS RELEASE

FOR IMMEDIATE RELEASE: THURSDAY, JANUARY 20, 2005 NORFOLK, VIRGINIA For Additional Information Contact: Deanna Warren at (757) 441-6331

Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced the unsealing of a 91-count indictment in U.S. District Court in Norfolk today and the arrests of Sidney S. Loxley, M.D., age 62, and Carol Dean Loxley, a/k/a "Carol Ann Dean", age 39, both of Chesapeake, Virginia, on January 19, 2004.

A federal grand jury returned the indictment on December 2, 2004, charging Sidney S. Loxley, Carol Dean Loxley, and Orthopedic Surgeons, LTD with 83 controlled substance counts, including conspiracy to traffic and trafficking resulting in death; seven monetary counts, including laundering and transactions in criminally derived property; one count of removal of property to prevent seizure; and seeks forfeiture of defendants' property, including the offices of Sidney L. Loxley, M.D., in Chesapeake, Virginia. If convicted of the death resulting counts, they face a maximum of life imprisonment and a maximum fine of \$1 million.

As a result of an investigation of suspicious deaths and the overdoses of several of Dr. Loxley's patients, law enforcement officials executed federal search warrants for his offices, home, and vehicles on June 22, 2004.

Mr. McNulty said, "This case is about the betrayal of a doctor's oath to do no harm. According to the indictment, Dr. Loxley's prescription of drugs went outside the bounds of legitimate medical practice and resulted in the death of four people and the suffering of many more."

Joining in this announcement is Mr. Randall Smith, Chesapeake Commonwealth's Attorney, who stated, "The Chesapeake Commonwealth Attorney's Office is fortunate to have a good working relationship with the Norfolk U.S. Attorney's Office. During the past 18 months, this office, the Chesapeake Police Department, DEA, the DEA Diversion and the U.S. Attorney's Office have worked together in the investigation of Dr. Loxley and Carol Dean Loxley. It is cooperative efforts such as this that benefit all citizens in the Eastern District of Virginia and the City of Chesapeake."

The investigation of this case was the collective efforts of the Norfolk and Richmond units of the Drug Enforcement Administration and Chesapeake Police Department detectives.

Assistant United States Attorney Laura Tayman and Nancy Parr, Chief Deputy Commonwealth's Attorney for the City of Chesapeake and Special Assistant United States Attorney, are prosecuting this case for the United States.

(It should be noted that defendants are considered innocent until proven guilty.)